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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

National Intelligence Council

NIC #1042-83
7 February 1983

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM : Milton Kovner
National Intelligence Officer for Western Europe

SUBJECT : Publication of Papandreou's Letter to the President
on FY'84 Military and Economic Assistance to Greece
and Turkey

1. US-Greek talks on the bases have reached a critical juncture with the publication of a letter to the President by Prime Minister Papandreou protesting the Fiscal 1984 military and economic aid program to Turkey. In the letter he warned that unless the balance in aid to Greece and Turkey is maintained, the climate will not be helpful to the DECA negotiations and could have a negative impact on US-Greek relations. Last week, we announced \$950 million in FMS and economic security assistance for Turkey; aid to Greece is to remain at this year's level -- \$280 million -- although we have told the Greeks that the administration would request supplemental funds in the context of a satisfactory agreement on the bases. The Greeks wish us to adhere to the traditional 7:10 aid ratio between the two countries, hinting that anything less than that would not be satisfactory.

2. The Department's reaction to the Papandreou letter interpreted both its tone and Papandreou's briefing of the press as relatively restrained, and suggested that Papandreou was interested in continuing the talks and working seriously for an agreement. I am less sanguine. Should the President's reply fall short of the assistance assurances that Papandreou demands, he might seek to impose restrictions on the activities of the bases, move to suspend the operations of one of them and/or interrupt the base talks pending satisfactory resolution of the assistance issue.

Milton Kovner
Milton Kovner

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Publication of Papandreou's Letter to the President on FY'84 Military and Economic Assistance to Greece and Turkey

FROM:

Milton Kovner
NIO for Western Europe

EXTENSION

NO.

NIC #1042-84

DATE

7 February 1983

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TO: (Officer designation, room number, and building)

DATE

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COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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NIC #1042-83
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MEMORANDUM FOR: DCI
DDCI

FROM : Milton Kovner
NIO/WE

SUBJECT : Publication of Papandreou's Letter to the President
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